Nightmare at Independence House: a Mitchell Lama eviction story

The following story is an edited version of an account related by a former tenant at Independence House, a Mitchell Lama development on West 94th Street in Manhattan. The tenant was evicted after unsuccessfully applying for succession rights in his apartment, which for years he shared with his uncle, who passed away.

“I lived at the Independence House in Manhattan. In 2013, the building was purchased by a Mr. Charles P. Gendron of Low Income Housing Corporation, an LLC based out of Portland, Maine.

“The name of the LLC and Mr. Gendron’s self-proclaimed expertise in “NYC low income housing” is rather ironic given that he calls Florida home.

“Soon after purchasing the Independence House, Mr. Gendron and his associates quickly submitted an application to NYC HPD to substantially raise rents in the building.

“The new owners are claiming that the building isn’t profitable. In their rent increase application, they failed to include the fact that the two available commercial units in the building are currently being rented to relatives of the previous owner. His son, Zachary Ruben of UPPER 94 SOCCER, secured a long-term lease at $16.59/square foot for the currently active retail space on the corner of 94th Street and Amsterdam Avenue. For perspective, the neighborhood has an average commercial market rate of around $200/square foot.

“Sadly, Mr. Gendron is no stranger to the NYC Manhattan Borough President’s Office or HPD. Gail Brewer recently testified in a preliminary rent increase proposal hearing, “Unfortunately, my experience with Mr. Gendron at another Mitchell-Lama development leads me to believe that he is seeking to take Independence House out of the program. We could lose 120 units of affordable housing.”

“Out of the 120 units at the

Seek developers for block-wide affordable ‘passive design’ housing project

Mayor de Blasio's office is requesting developers to submit bids for a block-wide affordable housing complex in East Harlem. When completed, the units are reported to be affordable to those earning $24,000 a year. The area is large enough to house more than 400 units along East 111th Street. When completed, the complex is expected to be the largest such project in the country.

Press reports indicate that the construction will utilize the so-called “passive house” design.

The technique employs a voluntary international building standard developed

‘Meet & Greet’ photos for 2016: pages 4 and 5
Mayor says MIH rezoning plan will yield 1,464 affordable units this year

Mayor de Blasio’s office reported in May that 1,464 affordable units will be created this year under his Mandatory Inclusionary Housing zoning plan.

The first project will go up in Inwood, providing 67 units for low- and moderate income tenants. The remaining 268 units in the building will be market rate. As of this writing, the project, a residential tower, still needs the approval of the City Council.

During negotiations with the tower’s developers, Acadia Sherman Avenue LLC, Manhattan Borough President Gale Brewer was able to secure a lower tower than originally proposed, from 23 stories to 17. Her efforts were motivated by community concerns that a giant tower would cast shadows over the neighborhood. But the downside of lowering the height, Brewer said, was to give up some affordable units. The owner also had to cut down on the number of market rate apartments. “The issue is, how do you keep the height down in Manhattan while you are negotiating affordable housing? That’s the challenge,” Brewer said.

Developments elsewhere in the city which will yield lower-rent apartments, depending on City Council approval, are located at Willoughby Street in Brooklyn, 147th Street in the Bronx, and the St John’s property near the Hudson River Park on Pier 40 in Manhattan.

At Brooklyn M-L task force residents, officials talk buyouts

In an effort to stop the rapid process of privatizing Mitchell Lama developments, officials from both city and state housing agencies said at a Brooklyn ML Task Force meeting in May that they’ve strengthened regulations under which ML co-ops vote to buy out, and created an “article II to article XI” program which includes an option of moving into another affordable housing program.

They also said that they are issuing more loans to MLs, which may keep buildings from exiting by requiring them to adhere to requirements for the length of the loan. At present, according to officials, four MLs are in the process of exiting.

Christine Fowley, a member of Cooperators United for Mitchell-Lama, suggested a way to meet rising expenditures was to raise the surcharge fee, paid by residents whose incomes grow over the building’s qualifying income limits.

One ML resident said that HPD should require open board meetings, both to increase transparency, and also to encourage younger residents to learn how Mitchell-Lamas operate.
The new phone and e-mail scams: how to protect yourself from predators

"Mr. Nahtaan Waibah?"

Those were the first words I heard when I answered my phone, early one a weekday two years ago.

"I’m sorry," I answered. "Who is this, please?"

"Nahtaan Waibah?"

Somewhat, I recognized the accent. Indian, perhaps, or Pakistani. Or Bengladeshi--somewhere in that part of the world.

"Yes," I answered, this is Nathan Weber."

"This is Windows Care," said the caller. "How are you today?"

"I’m fine," I answered. "How can I help you?"

"We notice you have many errors on your computer."

That should have been a red light. I should have hung up the phone. Or told the caller "No thanks," or something.

But I didn’t. Because for a long time, I had been noticing that on the bottom of some of my Internet pages were statements like "23 errors on this page," or words to that effect. I have no idea what those "errors," meant. They had no impact on my daily work with the computer.

In the back of my mind, however, I kept thinking that they may mean something, and that I should do something about it. So the phone call made me think, "Maybe I should listen to them. . . ."

That was my biggest mistake.

Long story short: I believed them. I gave them remote access to my computer, to allow them to "fix" what "errors" there were.

And then (I shudder, even now, to recall this), after they scoured my hard drive, I paid them, with a credit card, around $500 to locate and repair the non-existent "problem" on my computer. Lord knows what else they can now access.

Don’t do what I did. Ever!

I’m hardly the only victim. A report in a recent publication of AARP, entitled "The New Predators," homes in on the vulnerability of tech un-savvy seniors who, like me, are more likely to be defrauded.

Here are some of the scams to be wary of:

Tech support

This is akin to my experience: "a tech support con"--ripping off more than $400 every ten seconds, largely from seniors. They tell you that you have viruses (or errors or malware or something), and that you must either connect to such and such a site, or give them access to your computer. Here’s what to do: Ignore, and hang up the phone. And for the record: there is no legitimate organization as Windows Care. It is a scam, having no connection to Microsoft.

Phony IRS warning

You get an e-mail from what appears to be the IRS saying something like "Our audit shows you owe back taxes; pay now to avoid legal action. . . ." Ignore them. The IRS only contacts you by regular US Postal Service mail. Any e-mail or other electronic "warnings" is false. If you want to make sure, call the real IRS at 800-829-1040.

Phony Police and/or Fire Fighters

NO legitimate police or fire-fighters organization solicits funds by phone. Any time you get a phone call from a group that calls itself something like "NY State Fire Marshals Benevolent Society" or "NY State Congress of Police Chiefs" or anything at all like that, hang up. (Or, if you prefer, first express yourself, as I do, and then hang up.)

Phony Health Care and Veterans

This is similar to the phony police/fire fighters scam. Callers, or in-person visitors, pretending to represent a cancer fighting organization, or a "returning veterans" group, solicits funds. While some bona fide non-profit groups do raise money by phone solicitation, many if not most are fraudulent. Further, even some of the legitimate groups may pocket far more of your donations than they give to their ostensible causes.

You should either hang up the phone or, if you think you might want to contribute, ask them to send you their literature in the mail. Then check out the group with such watchdogs as the Better Business Bureau, the National Charities Information Bureau, or America’s Worst Charities (Center for Investigative Reporting).

Phony Credit Cards

The new "chip" cards increasingly issued by banks are supposedly much safer than cards with a magnetic strip. When a legitimate bank wants to replace your old card, they will send you a new one in the mail.

However, if you receive a phone call or e-mail purporting to be from a bank (complete with an official looking website) asking for personal or financial information, ignore it. Delete the e-mail or hang up. If you are not sure whether the bank is legit, call the number on the back of your current card and ask if they are trying to contact you.

2016 hosts of Morgan Stanley/ANHD community development fellowships

The Association for Neighborhood Housing Development announced the 2016-2017 Class of the Morgan Stanley/ANHD Community Development Fellowship.

The Fellowship is designed to increase the capacity of New York City’s community development organizations and to create a pipeline for the next generation of community development leaders. The Fellowship selects nine local graduate students studying urban planning or policy and individually pairs them with nine community-based organizations that have an especially compelling community development project. Each fellow has a significant role advancing that project, and receives a $20,000 stipend to serve in a half-time, year-long fellowship with a host group.

Winning host groups this year are:

- Cypress Hills Local Development Corp., matched with a student from Hunter College Urban Planning.
- West Side Federation for Senior and Supportive Housing, matched with a student from Rutgers University.
- Cooper Square Committee, matched with a student from Pratt Center.
- Ridgewood Bushwick Senior Citizen Center, matched with a student from Columbia University.
- Northfield Community Local Development Corp., matched with a student from NYU Wagner School.
- Banana Kelly Community Improvement Association, matched with a student from NYU Wagner School.
- Chhaya Community Development Corp., matched with a student from The New School.
- IMPACCT Brooklyn, matched with a student from The New School.
- Fifth Avenue Committee, matched with a student from Rutgers University.
- Projects include developing affordable housing, planning to improve the environmental efficiency of an affordable housing portfolio, and planning to develop not-for-profit light-manufacturing space.
Representatives gather at annual MLRC ‘Meet & Greet’ event in May

Top left: Standing: NYC Public Advocate Letitia James, recipient of this year’s MLRC award; Co-Chair Jackie Peters; Seated: Co-Chairs Ed Rosner and Margot Tunstall

Left: Congressman Jerrold Nadler

Bottom left: NYC Council member Rosie Mendez

Top right: NYS Assembly member Michael Blake

MLRC Developments

These developments are members of the Mitchell-Lama Residents Coalition

Individual Membership: $15 per year
Development: 25 cents per apt. ($30 minimum; $125 maximum)

Donations above the membership dues are welcome.

Bethune Towers 158th St. & Riverside Dr. Housing
Castleton Park Parkside Development
Central Park Gardens Pratt Towers
Clayton Apartments Promenade Apartments
Coalition to Save Affordable RNA House
Housing of Co-op City Riverbend Housing
Concerned Tenants of Sea Park River Terrace
East, Inc. River View Towers
Concourse Village Ryerson Towers
Dennis Lane Apartments Starrett City Tenants Association
1199 Housing St. James Towers
Esplanade Gardens Strykers Bay Co-op
Independence House Tenants Assn Tivoli Towers
Assn
Independence Plaza North Tower West
Jefferson Towers Village East Towers
Lindville Housing Washington Park SE Apartments
Lincoln Amsterdam House Washington Square SE Apartments
Manhattan Plaza Westgate Tenants Association
Marcus Garvey Village West View Neighbors Association
Masaryk Towers Tenant Assn West Village Houses
Meadow Manor Woodstock Terrace Mutual
Michangelo Apartments Housing
109th St. Senior Citizen Plaza

If your development has not received an invoice, please call the MLRC Voice Mail: (212) 465-2619. Leave the name and address of the president of your Tenants Association, board of directors, or treasurer and an invoice will be mailed.

All photos on pages 4 and 5 by Carl Glassman
Top left: Manhattan Borough President Gale Brewer; M-L residents at three tables.

Center left: Two MLRC residents addressing audience

Bottom left: MLRC board member Dr. Kenya Neuman; former Assemblyman Adam Clayton Powell IV; NYC Councilmember Helen Rosenthal
Seek developers for affordable E. Harlem ‘passive design’ project

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by the Passive House Institute (PHI), located in Darmstadt, Germany. According to the PHI, benefits of the design include roughly 90 percent reduction in heating and cooling energy usage and up to a 75 percent reduction in primary energy usage from existing building stock — meant to aggressively meet the climate crisis carbon reduction imperative while making a comfortable, healthy and affordable built environment.

“This passive house request for proposal encourages developers to think creatively while taking action to fight climate change,” Mayor Bill de Blasio said in a prepared statement.

The East Harlem block, bounded by Madison and Park avenues, may need to be upzoned for the project to continue.

Croman, bane of tenants, hit with indictment and serious lawsuit

Notorious New York City landlord Steven Croman was hit with criminal mortgage fraud charges along with a lawsuit charging him and a private investigator with harassing tenants to leave their rent stabilized apartments for market-rate tenants. Croman could face up to 25 years in prison.

Tenant complaints against Croman have been made over the years, with little results until the current charges.

“Croman and his business associates harass, coerce and deceive rent-regulated tenants to drive them out of their long-term homes,” often clearing most rent-stabilized tenants out of a building within a few years, Attorney General Eric Schneiderman’s office said. “The secret to Croman’s success is simple: He violates the law.”

Media reports have quoted tenants saying Croman or his representatives bang on their doors, telling them to leave. Some have received bogus lawsuits, which nevertheless cost the tenants enormous legal fees. Others have complained that Croman’s investigators relentlessly barrage them with buyout suggestions.

Preventing ex-cons from renting may violate US fair housing law

Preventing ex-offenders from renting apartments solely on the grounds of their records may violate the federal Fair Housing Act, according to HUD. Landlords who refuse to rent to former convicts may face civil lawsuits and discrimination penalties. While the policy will be applied to all ex-convicts, it will most likely affect ethnic minorities who are disproportionally incarcerated.

“Right now, many housing providers use the fact of a conviction, any conviction, regardless of what it was for or how long ago it happened, to indefinitely bar folks from housing opportunities,” said HUD Secretary Julián Castro in a statement. “Many people who are coming back to neighborhoods are only looking for a fair chance to be productive members, but blanket policies like this unfairly deny them that chance.”

The policy is based on a Supreme Court ruling last year holding that owners can be found guilty of discrimination if their policies have a “disparate impact” on certain ethnic minorities.

Notwithstanding the policy, owners may still legally bar ex-cons under certain circumstances. In such cases, they must prove that the nature and severity of the crime indicates a realistic risk to others.

Fair housing, tenants rights symposium slated for June 15

The NYC Commission on Human Rights, the NYC Department of Housing Preservation and Development, and the CUNY School of Law will co-sponsor the fourth annual NYC Fair Housing Symposium and Tenant Resource Fair. The theme of the symposium will be “Protecting Tenants from Harassment and Source of Income Discrimination.”

Con Ed cuts gas to Yorkshire Towers following owner’s illegal repair work

Illegal renovation work at Yorkshire Towers, a development on East 86th Street in Manhattan, has led Con Edison to cut off gas, forcing the 695 tenants to rely on hot plates. The Buildings Department has since ordered some of the work to stop unless the owner, UES Management, secures proper permits and rectifies the illegal piping.

The building was purchased in 2014 by the Chetrit Group and Stellar Management, for $395 million. Stellar, in particular, has a history of rocky relationships with tenants. In 2004 he purchased Independence Plaza North, a former M-L complex in lower Manhattan, and immediately began efforts to pressure the residents to leave for market-rate tenants. After a years-long battle, Stellar, owned by Laurence Gluck, and the tenants worked out a deal involving federal vouchers and a system akin to rent stabilization. Nevertheless, every year market-rate tenants reflect an increasing percentage of the residents.

Bklyn tenants file suit against notorious landlord

Twelve low-income tenants in Brooklyn have filed a lawsuit against a landlord they claim has spent years notoriously maintaining unlivable conditions, while overcharging them thousands of dollars in illegal rent.

The tenants live at 2010 Newkirk Ave. Media reports note that “the bathroom leaks, the floors are cracking, and there are rats and no working stoves.”

The owner is Moshe Pillar.

A separate complaint has been filed by Brooklyn Legal Services and one tenant to force Pillar to make repairs.
Sharp revisions spur City Council to support East New York rezoning

Brooklyn’s significantly revised East New York rezoning plan, approved overwhelmingly by the City Council in April, should serve as the first real test of Mayor Bill de Blasio’s policy of providing a plethora of new units of affordable housing in the city. The Council vote came only after months of negotiations with community groups working cooperatively with Councilmember Rafael Espinal, who together pressured the administration to increase the percentage of units for the very low income, include anti-displacement and tenant protection provisions, and provide for commercial retention, job training, and various community amenities.

The revised plan utilizes the Mayor’s two broadly based zoning initiatives— Mandatory Inclusionary Housing and Zoning for Quality and Affordability —which together enable developers to construct much taller buildings in dense neighborhoods so long as they provide a portion of the newly created apartments to people of lower income.

Just how low that income must be—just who will be financially able to rent—has been a central issue in the earlier widespread opposition to the program among community boards, local preservation groups, and others. Many have also warned that opening the door to developers will ultimately lead to gentrification in spite of the plan’s provisions, especially as new Mayoral administrations replace the current one. Supporters of the plan have countered that gentrification is on its way anyway, so it makes sense to attempt to transform them into arts venues.

Regarding affordability levels, the zoning plan allows developers to choose between two options: setting aside 20 percent of the units to be set aside for those earning 60 percent of AMI (about $51,800 for a two-to-four family household). The latter option would also entail setting aside ten percent of the units at 40 percent AMI.

Altogether, the revised plan will generate 1,300 units of affordable housing. Previously, the number was set at 1,200.

Among other things, the plan includes $267 million for capital investments, acquisition or renovation of a childcare center, and new school and sewer construction to be funded via other sources. It will also retain factories and machine shops instead of attempting to transform them into arts venues.

The revised plan also excludes Arlington Village, a 210-unit development created in the 1940s for returning WWII veterans. Arlington was purchased before the zoning plan by the Bluestone Group, which defines itself as “a private investment firm which was formed to capitalize on increasing prospects in the opportunistic real estate market. The Bluestone Group specializes in taking advantage of value-add scenarios such as under-managed properties, developing markets and distressed assets.”

Residents, fearful that the firm would transform the development into luxury housing without providing affordable units, want to keep Arlington as a total affordable complex.

Under the plan, the city will deal with homelessness in several ways: dedicating 500 LINC vouchers to move homeless families out of various shelters; closing three of the shelters; and urging owners to convert them into affordable units. Efforts will also get underway to explore ways to help homeowners legalize basement apartments and prevent foreclosures.

East Harlem residents and municipal officials unveil ambitious plan for future

East Harlem residents and community groups, working with City Council Speaker Melissa Mark-Viverito and Manhattan Borough President Gale Brewer, have released an ambitious plan for the future of the neighborhood. That the groups and government bodies have worked so well together as to actually come up with a concrete plan—emphasizing far more than the need for affordable housing and curtailing gentrification—may reflect a new urban planning process epitomized by the East New York rezoning plan approved by the Council in April. The East Harlem plan’s goals include, among others: Preservation of the area’s cultural history and support of local artists; more public open space; more pathways to careers and college; improved Pre-K and day care facilities; protection of small store owners; increasing employment opportunities; and protecting the right of seniors to age in place. The full plan is available at http://bit.ly/1NQI5mb.

Housing Briefs

NYC issues new demographics report

The Mayor’s Office of Operations has issued a Social Indicators Report detailing a host of demographic factors in housing, education, health & well-being, economic security & mobility, infrastructure, empowered neighborhoods, and personal and community safety. Many of the sections have breakdowns by year, ethnicity, age, gender, income and poverty levels. The section on housing has breakdowns of vacancy rates, code violations, NYCHA new admissions, and a good deal more. The 296-page report can be accessed at http://on.nyc.gov/1YQOweP

Squadron bill would extend DRIE & SCRIE

A bill submitted by State Sen. Daniel Squadron would extend the benefits of two rent assistance programs to seniors and disabled tenants at Independence Plaza North, a former M-L complex, and Gateway Plaza, formerly under the Battery Park City Authority. Both are now privately owned. The programs, DRIE [disability rent increase exemption] and SCRIE [senior citizens rent increase exemption] are currently available only to tenants in rent regulated buildings. Neither IPN nor Gateway are technically under the City’s rent regulation programs, but tenants in both have won agreements from their respective landlords to limit rent increases for some groups of tenants according to a formula that utilizes rent stabilization limits.

Share of tenants spending more than 50% of income will rise by eleven percent during decade

In a new publication, Projecting Trends in Severely Cost-Burdened Renters: 2015-2025, the Joint Center for Housing Studies at Harvard University and Enterprise Community Partners projects that the share of renters spending more than 50 percent of their income on housing will rise by at least 11 percent in the coming decade. The research team posed three different scenarios: a baseline scenario in which there is no real growth in income or rent over the next decade, a scenario in which rent growth outpaces income, and a scenario in which income outpaces rent growth. In all cases except for one in which income outpaces rent by at least 1 percent, the number of extremely cost burdened households would increase. In particular, older Americans, Hispanics, and single-person households are expected to be impacted the most. (Reprinted from How Housing Matters.)
Nightmare at Independence House: a Mitchell Lama eviction story

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Independence House, a recent surge in evictions has resulted in an estimated 25 apartments currently sitting empty for over a year. Not coincidentally, upon purchasing the building, the new owners and/or their management company, C&C Managers, felt that it was important to remove a copy of the tenant waiting list that had been posted in the building’s lobby.

“Residents in good standing, who faithfully complied with all M-L regulations including filling out annual income affidavits (myself included) are currently being evicted in droves. [emphasis added]. A law firm, hired by the owners, is actively challenging all succession requests. I’d presume that the owner wants to increase the total number of vacant apartments before exiting the ML program.

“A friend, who still lives there, informed me that the owners are actively courting non-profit groups in the hopes of transferring ownership—not sure what that means or how it would help them exit the program any faster. Given the overwhelming number of recent succession application rejections by the NYC Department of Housing Preservation & Development, it seems that the only layer of protection that low to middle income tenants had may be guilty of unknowingly taking bait laid out greedy out-of-state developers operating under a series of dubious LLCs.

“A friend of the tenant who related this story said she was “sharing this man’s story with you to raise a red flag on the bigger picture of what’s really going on at the Independence House and similar low-income buildings in Brooklyn and the Bronx. . It pains me that most of the people who have been evicted have likely navigated the succession application process on their own without an adequate understanding of its unique intricacies and/or their rights.

“As a long-time NYC resident and vocal affordable housing advocate, I commend [Manhattan Borough President Gale Brewer] on the great work that her office has done to help the disenfranchised. I hope that the information that I’ve shared will drive her to do everything she can to better assist disadvantaged lower and middle-income tenants, who often find themselves fighting an uphill battle in a game that, more often than not, seems stacked against them.”

Current status

Asked for an update on the issue of Independence House, Ms. Brewer’s office replied that, concerning the status of the rent increase application, “HPD is still in the review process of Independence House’s proposed rent increase and hasn’t made a determination yet.”

Concerning commercial rent on the property, her Office said that $16.59 per square foot was an estimate based on a simple division of the amount of space and the reported revenue, but that the MBPO “does not have information on the actual commercial rent of any of Independence House’s commercial tenants.”

Regarding SCRIE and DRIE, the Office said that the two programs can provide an added layer of protection to ensure residents can remain in their homes for the long term.

“However, enrolling in SCRIE or DRIE should not be viewed as a solution to the current rent increase proposal—or to any single rent increase proposal that might be implemented in the future. Framing SCRIE and DRIE as the ticket to allow tenants to remain in place sidesteps the issue of whether the proposed amount of increase is justified.”

Restating earlier testimony, Ms. Brewer added that “[The owner’s] reasoning is flawed. He is requesting HPD to approve a rent increase proposal that he intends to be paid for, ultimately, by government subsidies in the form of foregone tax revenues. To expect Independence House’s majority-senior tenant population to remain in their housing via government subsidy when additional revenues can be found in commercial rents is not only unfair to seniors and tenants with disabilities, but also burdens tax payers.”

City Council bills focus on vacant properties for affordable housing

Three bills introduced to the NYC Council are geared towards identifying vacant properties for potential affordable housing.

Intro 1034 would require owners of any real property in the city to register the property as vacant upon it being vacant one year. Registrations would need to be renewed annually and failure to comply would result in a fine between $100 - $500 per week.

Intro 1036 would require the Mayor or an agency designated by the Mayor to conduct an annual census of vacant properties in coordination with the Department of Housing Preservation and Development, the Department of Environmental Protection, the Department of Buildings, the Department of Sanitation, the Fire Department and any other relevant agencies. The Mayor or the designated agency will also be required to compile a list of vacant properties as a result of the census.

Intro 1039 would require the Department of Housing Preservation and Development to conduct annual surveys of all city-owned properties to identify vacant buildings or lots that may be suitable for affordable housing. HPD would also be required to seek cooperation with the federal and state governments to identify similar state or federal government-owned vacant properties in the city that could be suitable for affordable housing. HPD would also need to submit an annual report to the Mayor and Speaker identifying such properties and making recommendations on rezoning and/or development.

Schumer, Cantwell push to expand housing tax credit

Charles E. Schumer (D-NY) and Maria Cantwell (D-WA) are taking the lead in urging Congress to expand the Low-Income Housing Tax Credit, created three decades ago.

Both senators, joined by housing advocates, are calling for a 50 percent expansion of the LIHTC, and reforms to better target the lowest income populations. Since its creation, the credit has financed nearly three million affordable homes across the United States, several thousand in New York City alone.

The proposal would finance approximately 400,000 additional units of affordable housing nationwide over the next decade.